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OVERFULFILLMENT OF POPULATION GOALS IN USSR REVEALS PLANNING BLUNDER



CENTRAL INTELLIGENCE AGENCY
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C-O-N-F-I-D-E-N-T-I-A-L

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OVERFULFILLMENT OF POPULATION GOALS
IN USSR REVEALS PLANNING BLUNDER

According to an article in the July issue of Planovoye khozyaystvo (Planned Economy), the goals for the final 3 years of the Soviet Seven Year Plan (1959-65) have been modified, in large part because the Soviet population is growing more rapidly than was anticipated when the plan was originally formulated. The total population, according to the article, already has increased by 4 million more than had been anticipated, and the urban population by 9 million. By 1965 the urban population will have increased by 15 million more than was anticipated in the control figure for that year. 1/

This "population explosion" is more apparent than real, for according to official estimates that have appeared in Soviet statistical yearbooks, there has been no significant change in the rate of population growth either in the country as a whole or in urban areas separately since the Seven Year Plan was drafted. Population goals are being overfulfilled simply because the estimates for 1960 and 1965 prepared by Gosplan in 1957 were extremely low and unrealistic.

These low estimates and the subsequent revisions have had obvious implications for the Soviet planners concerned with housing and consumer goods and services. For example, the revised estimate of the urban population for 1965 implies that the urban housing stock must increase by 80 percent, rather than by the original goal of 60 percent, during the Seven Year period if per capita housing goals are to be achieved. 2/

Growth of the Total Population

The estimates of the total population shown in column 1 of Table 1 were published by Gosplan in 1957 in a book entitled The Economic Competition of Two World Systems. 3/ According to the estimates, the population of the USSR was to grow at an annual rate of 1.0 percent between 1955 and 1960 and 1.4 percent between 1960 and 1965. The actual rate of growth of the Soviet population between 1950 and 1957, according to officially published vital rates, however, had ranged between 1.6 and 1.8 percent. 4/

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Table 1

Estimates and Projections of the Total Population
of the USSR:
1955, 1960, and 1965

<u>Midyear Population in Millions</u>		
	<u>(1)</u> <u>Prepared in 1957</u>	<u>(2)</u> <u>In Current Use</u>
1955	200	
1960	210	214
1965	225	229

In 1958 the head of the Central Statistical Administration of the USSR, in an interview with an American demographer, described Gosplan's estimates as "excessively low." He explained that the Scientific-Research Economic Institute of Gosplan, which prepared the estimates, simply did not have qualified population statisticians. The institute had answered these criticisms by pointing out that the projections were designed simply to indicate the "general tendency" of population growth. They were based on a simple projection of the average rate of growth of the population over some past (presumably pre-1940) period. 5/

The announced "overfulfillment" of the total population estimate by 4 million apparently represents the difference between the original estimate of 210 million for 1960 and the recorded figure of 214 million for that year. The projected estimate of 225 million for 1965 apparently was abandoned early in 1959. The per capita output goals for 1965, which appeared in a statistical handbook published in August 1959, 6/ were based on a population goal of about 229 million. The new estimate for 1965 comes much closer than the original to the projection of about 231 million calculated by Western demographers. 7/

Growth of the Urban Population

The officially reported estimate of the urban population for mid-1960 was 106 million. 8/ If it is assumed that the

reported overfulfillment of the urban population goal by 9 million already had taken place by 1960, as was true of the total population, then the original control figure for that year was about 97 million. Thus Gosplan must have applied an annual rate of increase of roughly 2 percent to an estimate of 87 million for 1955* to obtain its projection for 1960. If it is assumed further that Gosplan used the same rate in its projection to 1965, as implied by the urban housing goals mentioned above, then the estimate for that year would have been about 106 million. The application of the expected overfulfillment of 15 million by 1965 to this estimate yields a revised control figure for 1965 of about 121 million. These estimates and projections are shown in Table 2.

Table 2
Estimates and Projections of the
Urban Population of the USSR
1955, 1960, and 1965

Midyear Population in Millions		
	(1) Used as Control Figures in the Seven Year Plan	(2) In Current Use
1955	87	
1960	97	106
1965	106	121

Perhaps Gosplan's original estimates of the urban population, like those of the total population, also were intended simply to indicate the "general tendency" of urban population growth -- possibly based on pre-1940 trends. They were extremely unrealistic, however, in light of trends that had been recorded during the immediately preceding 7-year period.

*In 1956 the Central Statistical Administration of the USSR published an estimate of 87 million for the urban population as of April 1956. 9/ Gosplan probably used this estimate as the basis for its calculations.

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Between 1950 and 1957 the urban population of the USSR increased at an average annual rate of 3.9 percent. 10/

The overfulfillment of urban population goals, therefore, was virtually a foregone conclusion. Since 1958 the urban population has continued to increase at an annual rate of between 3.5 and 4.0 percent. 11/ The revised estimate of 121 million for 1965 implies that the urban population is expected to increase at an average annual rate of 2.7 percent during the remainder of the Seven Year Plan. Apparently the USSR still hopes to slow down its rapid rate of urbanization.

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Coord:

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9. Narodnoye khozyaystvo SSSR v 1956 godu (National Economy of the USSR in 1956), Moscow, 1957, p. 17. U.
10. Figurnov, S. P. Real'naya zarabotnaya plata i pod'yem material'nogo blagosostoyaniya trudyashchikhsya v SSSR (Real Wages and the Level of Material Well-Being of Workers in the USSR), Moscow, 1960, p. 109. U.
11. SSSR v Tsifrakh v 1961 godu (7, above), p. 29. U.

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